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I. WHAT'S HAPPENING AT NIA

**1. NIA celebrated 107th Foundation Day of The
New India Assurance Co Ltd.**

The National Insurance Academy (NIA), Pune, celebrated the 107th Foundation Day of The New India Assurance Co. Ltd. on 23rd July 2025 with great enthusiasm and reverence. The event highlighted the illustrious journey and remarkable achievements of the company, which has been a cornerstone of the Indian insurance industry since its inception.

The celebration commenced with an address by **Mr. B.C. Patnaik, Director, NIA**, who emphasized the progressive growth of The New India Assurance Company over the decades and its pivotal contribution to strengthening the insurance sector in India and beyond. He appreciated the organization's unwavering commitment to innovation, customer service, and financial stability, which has helped it maintain a leadership position in the industry. The event was graced by, **Distinguished representatives from The New India Assurance Co. Ltd.**, they shared valuable insights on the company's current business status and strategic initiatives to sustain growth in a competitive market.

His address provided a comprehensive overview of the company's performance, future outlook, and dedication to leveraging technology for operational excellence.

The celebration concluded with a cake-cutting ceremony, symbolizing the enduring success and legacy of The New India Assurance Co. Ltd. The occasion witnessed the active participation of NIA faculty members, staff, and other dignitaries, making it a memorable and inspiring event.

Faculty members from the General Insurance stream at NIA expressed that the success of The New India Assurance Co. Ltd. stands as a testament to its resilience, innovation, and ability to adapt to market dynamics, serving as an inspiration for the entire insurance sector.

The 107th Foundation Day celebration not only honored the rich heritage of The New India Assurance Co. Ltd. but also reinforced the vision of continuous growth and contribution to the insurance ecosystem.





2. The visit of NIA officials to ARAI Pune

Officials from the National Insurance Academy (NIA) visited the Automotive Research Association of India (ARAI) at its Pune center to explore potential areas of collaboration. ARAI, renowned for its advanced research in road safety and comprehensive testing of automotive components and equipment, showcased its state-of-the-art facilities and cutting-edge technologies during the visit.

The interaction focused on fostering mutual cooperation between the two institutions to benefit both the automotive and insurance sectors. Discussions revolved around joint initiatives in research, knowledge exchange, and training programs aimed at promoting innovation and enhancing industry practices.

Both organizations expressed a strong commitment to building a strategic partnership that would contribute to improving safety standards, developing new frameworks for risk assessment, and strengthening technical expertise. The visit concluded on a positive note, marked by a shared vision for capacity building and driving advancements through collaborative efforts.



II. REGULATORY DEVELOPMENTS

1. Circulars

- a. Clarification on IRDAI (Maintenance of Information by the Regulated Entities and Sharing of information by the Authority)

<https://irdai.gov.in/document-detail?documentId=7628074>

- b. Master Circular on Rural, Social Sector and Motor Third Party Obligations

<https://irdai.gov.in/document-detail?documentId=7643594>

2. Orders

- a. Order in the matter of M/S Star Health and Allied Insurance Co. Ltd.

<https://irdai.gov.in/document-detail?documentId=7642959>

3. Press Release

- a. 132nd Authority meeting

<https://irdai.gov.in/document-detail?documentId=7591001>

- b. Transfer of equity shares related to M_s Bajaj Allianz Life Insurance Company and M_s Bajaj General Insurance Company

<https://irdai.gov.in/document-detail?documentId=7599812>

- c. Internal Insurance Ombudsman Guidelines

<https://irdai.gov.in/document-detail?documentId=7630595>

III. INSURANCE INDUSTRY FLASH FIGURES FOR JUNE 2025

For monthly insurance industry data, click on:

1. [Life Insurance](#) (Source: LI Council)
2. [Non-Life Insurance](#) (Source: GI Council)

IV. TOPICAL ARTICLE

Living Longer, Insuring Smarter: Macroeconomic Drivers of Life Insurance in India's Silver Economy

India's Silver Economy and the Emerging Role of Life Insurance:

India, long celebrated for its demographic dividend, is now standing at the cusp of a profound demographic transition: the rapid ageing of its population. By way of projections, the number of Indians aged 60 years and above will more than double – from 149 million in 2022 to 319 million by 2050. This shift is more than just statistical; it is transformative. It is giving rise to what is now globally recognised as the Silver Economy – an economy driven by an ageing population where older adults shape consumption trends, savings behaviour, and the demand for services, particularly in health, housing, and financial security.

In this evolving landscape, life insurance has emerged as a pivotal tool to provide financial protection, retirement income, and health security in later life. Yet, the sector must adapt rapidly to the changing expectations and economic realities of India's ageing population.

Demographic Shifts and Macroeconomic Challenges:

The foundation of the Silver Economy lies in the rising life expectancy and a growing proportion of elderly people in the population. Life expectancy in India has increased from 63.4 years in 2000 to 70.1 years by 2025, thanks to improvements in public health, nutrition, and access to medical care. This welcome trend also brings new challenges: longer lifespans increase the financial need during retirement, while placing added pressure on savings, public welfare systems, and insurance mechanisms.

Concurrently, the dependency ratio – the number of dependents (young and old) relative to the working-age population – is increasing, intensifying the economic burden on fewer earning members. This dynamic is driving greater demand for lifelong income streams, and consequently, innovative life insurance solutions like deferred annuities, pension-linked insurance, and lifetime income products. However, macroeconomic trends are creating headwinds. Over the past decade, the government bond yields, which play a critical role in determining returns on insurance and pension products, have declined – from 8.5% in 2013 to about 7% in 2025. In an environment where over 70% of insurers' investment portfolios are debt-based, sustaining guaranteed return products such as endowment plans and annuities becomes increasingly challenging. Insurers must now recalibrate their offerings to balance return expectations with solvency requirements and risk exposure.

Health Risks and Demand for Integrated Products:

The health landscape of the elderly is another critical concern. Medical inflation, estimated at 14% in 2023, is outpacing general inflation and household income growth, making healthcare increasingly unaffordable. Moreover, 80% of older adults in India suffer from at least one chronic illness, such as diabetes, hypertension, or arthritis. Such factors are driving demand for life insurance policies bundled with health benefits, including critical illness cover, hospital cash plans, and terminal illness riders. Higher morbidity among the elderly also means elevated underwriting risks and increased premium costs, making products less accessible to economically vulnerable segments. It is therefore essential for insurers to innovate with affordable, modular plans that can offer tiered benefits suited to different risk profiles and income levels.

Retirement Readiness and Pension Gaps:

One of the most alarming aspects of India's ageing story is the lack of financial preparedness for retirement. Despite government schemes such as the Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and the Atal Pension Yojana (APY), only 12% of the workforce has formal pension coverage. The informal sector, which employs the majority of India's workforce, remains largely uncovered by long-term savings instruments. Even in schemes with broad enrollment like

PMJJBY, high dropout rates indicate the need for better customer engagement, follow-ups, and product redesign.

Private life insurers have a critical opportunity to bridge the pension gap over the development of flexible, low-cost micro-pension and annuity products. Products with liquidity features, such as partial withdrawals or lump sum options, will be better aligned with the financial behaviour and needs of senior citizens, who often face unexpected medical or family-related expenses.

Financial Inclusion and Technology Access:

A significant barrier to insurance penetration among the elderly is digital exclusion. While India has made remarkable strides in digital banking and insurance technology, only 18% of senior citizens use smartphones for financial transactions. The numbers are even lower in rural and semi-urban areas, where digital literacy and device access remain limited.

To overcome this, insurers need to adopt a hybrid distribution model – one that combines agent-based field support with user-friendly digital interfaces. Simpler apps, voice-enabled services, multilingual platforms, and assisted KYC processes can make insurance more accessible for seniors. Moreover, training and incentivising agents to serve the elderly population with empathy and patience will be crucial for trust-building and long-term policyholder engagement.

Policy Support and Regulatory Momentum:

On the policy front, there is a growing recognition of the need to support the ageing population through regulatory and fiscal reforms. The Budget 2024 introduced additional tax deductions for senior citizens investing in life insurance and pension products. Regulatory developments like composite insurance licenses – allowing insurers to offer both life and non-life products under one umbrella – could encourage the development of comprehensive elderly care packages, including life cover, health cover, and long-term care.

The upcoming Bima Sugam digital platform, envisioned as a unified insurance marketplace, aims to streamline policy comparison, purchase, and claims – empowering customers with greater transparency and control. If implemented effectively, it can become a vital tool in deepening insurance coverage across age groups, especially when integrated with Aadhaar, DigiLocker, and NPCI systems.

Toward a Smarter Future for a Longer Life

India's silver economy is not merely a consequence of demographic change; it represents a strategic opportunity for inclusive economic growth. As older adults increasingly contribute to social, economic, and cultural life, ensuring their financial security is not just a social imperative but a market necessity. To succeed in this new reality, the insurance sector must demonstrate innovation backed by empathy. This means designing products that offer protection without complexity, income without rigidity, and health security without financial distress. It also calls for cross-sector collaboration between insurers, regulators, technology providers, and civil society to build an ecosystem that supports graceful and financially secure ageing.

In essence, India's ageing journey presents the life insurance industry with an extraordinary chance to reimagine its role—from risk protection to lifetime financial partner. Those who can respond to the silver economy with foresight, flexibility, and compassion will not only tap into a growing market but also make a lasting impact on millions of lives.

(By Dr. Deepali Garge, Faculty Member, National Insurance Academy, Pune)

V. INSURANCE NEWS

Life Insurance Council to spend ₹160 Cr. yearly on awareness drive

The Life Insurance Council launched the next phase of its nationwide campaign 'Sabse Pehle Life Insurance' aimed at increasing insurance awareness and, consequently, life insurance penetration in the country. The council plans to spend up to ₹160 crore annually for the next three years on this initiative.

Read more at:

https://www.business-standard.com/finance/insurance/life-insurance-council-to-spend-160-cr-yearly-on-awareness-drive-125070201245_1.html

Emerging Asia expected to be fastest growing region in 2025-2026

Global non-life premiums are expected to grow to \$4.8tn in 2025 (2024: \$4.6tn), with an 85%:15% split between advanced and emerging markets, according to Swiss Re Institute's latest Sigma report, titled 'World insurance in 2025: A riskier, more fragmented world order'.

Read more at:

<https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/92182/Type/eDaily/Asia-Emerging-Asia-expected-to-be-fastest-growing-region-in-2025-2026>

Life LIC Signs MoU to expand women-only insurance scheme in rural India

The Life Insurance Corporation of India (LIC) has signed a Memorandum of Understanding (MoU) with the Department of Rural Development, under the Ministry of Rural Development, to expand the reach of its women-centric Bima Sakhi Yojana across rural India.

Read more at:

<https://www.thehansindia.com/business/lic-signs-mou-to-expand-women-only-insurance-scheme-in-rural-india-989888>

IRDAI proposes internal Insurance Ombudsman to strengthen grievance redressal

In a move aimed at enhancing consumer trust and improving grievance redressal within the insurance sector, the Insurance Regulatory and Development Authority of India (IRDAI) has released the Exposure Draft of the Internal Insurance Ombudsman Guidelines, 2025 for public consultation.

Read more at:

<https://www.moneycontrol.com/news/business/personal-finance/irdai-proposes-internal-insurance-ombudsman-to-strengthen-grievance-redressal-13317926.html>

LIC Invests ₹5,000 Cr in SBI, Increases Stake Through Landmark QIP

In a significant development in India's capital markets, LIC has raised its stake in SBI from 9.21% to 9.49%, investing ₹5,000 crore through the bank's recent Qualified Institutional Placement (QIP). LIC purchased over 6.1 crore shares at an issue price of ₹817 per share.

Read more at:

<https://timesofindia.indiatimes.com/business/india-business/lic-invests-5000cr-in-sbis-25k-cr-qip/articleshow/122824989.cms>

Insurance market set to double to US\$300bn by 2030

The Insurance Brokers Association of India (IBAI) celebrated its 24th Foundation Day today and launched its report titled 'Leading the Path to Insurance for All: Broker of the Future,' developed in partnership with McKinsey & Company.

Read more at:

<https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/92377/Type/eDaily/India-Insurance-market-set-to-double-to-US-300bn-by-2023>

Medi Assist Insurance completes acquisition of Paramount TPA

Medi Assist Insurance TPA Private Limited, the wholly-owned subsidiary of listed healthcare services firm Medi Assist Healthcare Services Limited, completed its acquisition of 100 per cent equity stake in Paramount Health Services & Insurance TPA Private Limited.

Read more at:

<https://www.thehindubusinessline.com/markets/stock-markets/medi-assist-paramount-tpa-acquisition-2025/article69764082.ece>

Angel One shares in focus after announcing a foray into the life insurance business

The company will enter a joint venture with LivWell to start a digital-first life insurance company, subject to regulatory approvals, it said in a filing. LivWell is backed by Olympus Capital, a private

equity firm with over \$2.6 billion invested across Asian financial services including HDFC Bank, Credit Access Grameen, among others.

Read more at:

<https://www.cnbctv18.com/market/angel-one-share-price-life-insurance-foray-joint-venture-livwell-backers-capital-infusion-contribution-stake-ceo-19642455.htm>

India's insurance giant LIC turns to Wall Street banks to hedge risk

Life Insurance Corp. of India is working with some of Wall Street's largest banks to hedge its liabilities, according to people familiar with the matter.

Read more at:

<https://economictimes.indiatimes.com/industry/banking/finance/insure/indias-insurance-giant-lic-turns-to-wall-street-banks-to-hedge-risk/articleshow/122950060.cms?from=mdr>

Government hints no immediate plan to raise deposit insurance cover beyond ₹5 lakh

The government has indicated that it may not be necessary to raise the insurance cover on bank deposits beyond the current limit of ₹5 lakh per depositor.

Read more at:

<https://www.cnbctv18.com/business/finance/govt-hints-no-immediate-plan-to-raise-deposit-insurance-cover-beyond-rs-5-lakh-19641284.htm>

Nat CATs will continue to impact insurers in 2025, says new Willis report

Nat CATs will continue to put a strain on global insurance markets in 2025, said a new report by Willis.

Read more at:

<https://www.asiainsurancereview.com/News/View-NewsLetter-Article/id/92393/Type/eDaily/Nat-CATs-will-continue-to-impact-insurers-in-2025-says-new-Willis-report>

100% FDI to help unlock full potential of insurance sector

Finance minister backs 100% FDI in insurance to unlock sector potential and boost capital inflows. Move aims to ease foreign entry, attract sustained investment, enhance competition, and improve insurance penetration. Bill may be tabled in winter session of Parliament.

Read more at:

<https://www.financialexpress.com/policy/economy-100-fdi-to-help-unlock-full-potential-of-insurance-sector-finance-minister-3929320/>

IRDAI panel flags risks in merging insurers with non-insurance firms

A panel set up by the Insurance Regulatory and Development Authority of India has advised against allowing mergers between insurance companies and non-insurance businesses. The panel, led by former State Bank of India Chairman Dinesh Khara, flagged potential risks to policyholders if such mergers are permitted.

Read more at:

https://www.business-standard.com/industry/news/irdai-reform-panel-insurers-non-insurance-mergers-policyholder-risk-125071700541_1.html

Centre empowers states to set EV, accessibility quotas for ride aggregators

In a move to modernise urban mobility, strengthen the gig economy and promote inclusion, the Centre has overhauled the Motor Vehicles Aggregator Guidelines, authorising states to set annual targets for electric vehicle (EV) adoption in app-based transport fleets.

Read more at:

<https://www.newindianexpress.com/nation/2025/Jul/20/centre-empowers-states-to-set-ev-accessibility-quotas-for-ride-aggregators-2>

Please share your feedback at <http://niapune.org.in/in-feedback>